

FISCAL NOTE

SB 644 - HB 1309

March 5, 2003

SUMMARY OF BILL: Makes it a Class E felony with a maximum fine of \$100,000 for any person or entity to give, offer, promise, or attempt to give money or any thing of value to a student-athlete or member of a student-athlete's immediate family to encourage or reward such student-athlete's application, enrollment, or attendance at a private or public higher education institution in order to have the athlete participate in intercollegiate sporting events; or to encourage or reward the student-athlete's participation in an intercollegiate sporting event or program.

Each higher education institution shall have a right of action against any person or entity that causes the institution to be penalized, disqualified, or suspended from participation in intercollegiate athletics because of such violation. The institution shall be entitled to recover all damages which are directly related to or which flow from and are reasonably related to such improper activity and to such penalties, disqualifications, and suspensions. If the institution is the prevailing party in its cause of action, it shall be entitled to an award of court costs, costs of litigation, reasonable attorney's fees, and may also request the court to enter an injunction against any person found liable from having any further contact with the institution.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$2,500/Incarceration*
Increase State Revenues - Less than \$100,000

Estimate assumes:

- One Class E felony conviction every other year at a cost of \$2,500.
- A university could be awarded damages against a person or entity in violation of this act; however, such increase in revenues from an award of damages would be related to actual lost revenue by the university.
- To the extent fines are assessed and collected for violations, state revenues will increase; however, since no fine can exceed \$100,000, it is estimated that any revenues collected every other year would be less than \$100,000.

**Section 9-4-210, TCA, requires that: For any law enacted after July 1, 1986, which results in a net increase in periods of imprisonment in state facilities, there shall be appropriated from recurring revenues the estimated operating cost of such law. The amount appropriated for operating cost, in current dollars, shall be based upon the highest cost of the next 10 years, beginning with the year the additional sentence to be served impacts the correctional facilities population.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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